



INTERNATIONAL EGG AND POULTRY REVIEW

ISSN 1522-5100



U. S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News Branch

Indonesia

Highly pathogenic avian influenza H5N1 is endemic in Indonesia and controlling the disease will be very difficult. Indonesia has the world's fourth largest population spread over thousands of islands. The government is decentralized and unable to execute a coordinated effort to control avian influenza.

Indonesia reported an outbreak of the H5N1 strain of avian influenza to the OIE (World Organization for Animal Health) on February 2, 2004, and stated the first outbreak of the H5N1 strain of avian influenza occurred in December 2003. By September 2005 Indonesia had reported 216 outbreaks in poultry and an estimated 150 million birds had died or been culled.

Indonesia choose to only cull infected poultry, due in part to limited finances, and instead relied on mass vaccinations and bio-security. The number of chicken deaths dropped after the vaccination program began, however the vaccinations did not prevent infection and instead "masked" the presence of the virus.

Public awareness is low in the densely populated countryside and farmers are reluctant to endure the economic loss from culling poultry if they are not reimbursed for the financial loss. Many farmers are unable to tell the difference between avian influenza and Newcastle disease, which has similar symptoms, and veterinary care is rudimentary. Most of these producers have free-ranging poultry. These are all major constraints for effective disease reporting, movement control, and surveillance.

Indonesia is the world's largest archipelago state and consists of over 17,000 islands covering 741,283 square miles between Asia and Australia. Indonesia shares borders with East Timor, Malaysia and Papua New Guinea and the land boundaries total 1,758 miles. The population of about 245.5 million speaks several hundred local languages. The government was decentralized in 2001 and the 440 districts or regencies became the key administrative units for providing most government services. The patchwork of local, regional and national bureaucracies often send mixed messages. Without a centralized government, there has not been a coordinated effort to curb the outbreaks. The greatest losses have been among an estimated 30 million backyard village households keeping about 200 million chickens.

Indonesia's Animal Inventories – Beginning of Year (in million heads)

	2003	2004	2005	2006*
Poultry (including ducks)	1,238.2	1,283.2	1,347.3	1,414.7
Hogs	6.2	6.6	6.9	7.0
Dairy Cattle	.4	.4	.4	.4
Goats	12.7	13.4	14.1	14.8
Beef Cattle and Buffalo	13.0	13.3	14.6	15.4

*Forecast

Indonesia has a large poultry industry and 80 percent of the poultry produced in Indonesia is produced by three large commercial companies which are vertically integrated systems with substantial capacity.

Poultry are the smallest livestock investment a village household can make. Family flocks provide a small income from the sale of eggs and the live birds are a flexible source of cash. A study on income generation in transmigrant farming systems in East Kalimantan, Indonesia showed that family poultry accounted for about 53 percent of the total income. A long term government transmigration program has moved millions of people from densely populated areas to such as Bali and Java, to less populated islands such as Sumatra and Kalimantan.

Egg and Meat Production in metric tons

	2004	2005	2006*
Poultry meat**	1,164,401	1,199,333	1,259,300
Eggs**	1,051,365	1,156,502	1,272,152
Pork	185,652	181,628	199,791
Beef	380,059	369,281	406,209
Goat	69,628	63,018	69,320

*Forecast

**including ducks

Since 2003, H5N1 has become endemic throughout the country while public awareness has remained low in many areas. Although most poultry is produced in large integrated commercial systems, there are a large number of transmigrant farming systems where small numbers of poultry are raised free range. Indonesia lacks the finances and central control necessary to provide surveillance, compensation and education to fight the spread of avian influenza

Source: CIA World Factbook, U.S. Census Bureau, OIE (World Organization for Animal Health), U.S. Mission to the UN Agencies in Rome,

Philippines to Resume Poultry Exports to Japan

Japan's Ministry of Agriculture Forestry and Fisheries lifted the import ban on Philippine poultry and poultry products on May 24, 2006. In July, 2005 Japan temporarily suspended all imports of poultry and poultry products from the Philippines following the Philippine Bureau of Animal Industry's (BAI) announcement of a detection of a H5 avian influenza (AI) strain in a duck farm in Bulacan. Further testing found exposure to a low pathogenic avian influenza and the Philippines has since remained free of AI.

According to the Philippine Department of Agriculture, poultry exports to Japan may resume by June 7, 2006. From January to July, 2005, the Philippines exported 2,605 MT of chicken to Japan, including U.S. chicken leg quarters that were further processed in the Philippines.

Source: USDA/FAS/Attache Report

Inspected Egg Products-U.S. & Canada Export/Import Trade**U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending May 27, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Liquid	413	358	4,202	6,950
Frozen	0	0	125	21
Dried	40	0	227	107
Total	453	358	4,554	7,078

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Ending May 27, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Liquid	46	91	1,243	3,350
Frozen	88	0	462	327
Dried	0	0	41	340
Total	134	91	1,746	4,017

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending May 27, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Jumbo	0	0	150	33
Extra Large	1,770	3,000	36,556	101,312
Large	9,080	3,730	65,501	215,146
Medium	1,650	1,770	34,475	43,005
Ungraded	5,790	10,092	58,634	53,872
Misc	0	300	2,580	6,793
Total	18,290	18,892	197,896	420,161

1/ Comparable Week, to-date figures may not total due to rounding.

2/ Includes revisions to previous week(s).

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Source: USDA/AMS Poultry Programs, Market News Branch.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

June 02, 2006

CHICKEN WITH SKIN ADDED

--- PRICES ---		---- VOLUME ----		
FAT				
CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	13.00-20.00	16.00	421,200	-
WTD AVERAGE	14.72	16.00		
15-20%				
RANGE	13.00-19.50	12.00-16.00	871,600	163,200
WTD AVERAGE	16.57	13.83		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

U.S./Canadian Live Poultry Slaughtered Under Inspection

W/E 27-May-06 (PRELIMINARY)

U.S. Fowl Slaughtered Domestically

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,076	1,539	2,615
Last Week	1,211	1,635	2,846
Same week yr ago	1,646	1,401	3,047
To-date/2006	24,918	30,591	55,509
To-date/2005	32,582	28,614	61,196

U.S. Fowl Slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	44	3	47
Last Week	130	3	133
Same week yr ago	247	0	247
To-date/2006	4,634	16	4,650
To-date/2005	6,095	26	6,121

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Total U.S. Fowl slaughtered in the U.S. and Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,120	1,542	2,662
Last Week	1,341	1,638	2,979
Same week yr ago	1,893	1,401	3,294
To-date/2006	29,552	30,607	60,159
To-date/2005	38,677	28,640	67,317

Source: USDA/AMS Poultry Programs, Market News Branch

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

June 02, 2006

CHICKEN WITH SKIN ADDED

--- PRICES ---		---- VOLUME ----		
FAT				
CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	15.50	15.00-16.00	441,000	-
WTD AVERAGE	15.50	15.67		
15-20%				
RANGE	14.75-20.00	11.00-15.00	1,512,000	832,000
WTD AVERAGE	17.00	13.21		
20% OR MORE				
RANGE	-	14.00	80,000	-
WTD AVERAGE		14.00		

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 2 JUNE 2006.

The market tone on tom drums ranged from instances fully steady for select export destinations to barely steady, tom full-cut wings steady to fully steady, tom necks and tom 2-joint wings steady to barely steady. Demand light to moderate. Offerings of tom drums mixed ranging from light on certain sized product to fully adequate, tom full-cut wings light at best, balance of tom bulk parts adequate to fully adequate. The market tone on tails was steady to instances weak for the adequate to ample supplies. Demand light. The market tone on thigh meat was steady to instances fully steady with some not seeing the strength others are. Demand light to moderate. Offerings short to adequate. The market tone on mechanically separated turkey was steady to barely steady. Demand light for the adequate to fully adequate offerings. Trading was active on fresh tom breast meat for domestic shipments and on both fresh tom drums and tails for export, balance slow to moderate. For domestic (fresh): wing meat with skin 99-101, scapula 124-134 cents delivered. For export: tails 31 June-December shipments, fresh tom drums 36 June shipments, frozen thigh meat for Russia 98 cents delivered.

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, JUNE 02, 2006	RANGE	CODE 1/	PRICE	(000)	PRICE	VOLUME
DRUMSTICKS, TOMS	40.00		40.00	120	39.95	608
WINGS FULL-CUT - TOMS	28.00		28.00	120	27.75	160
WINGS, V-TYPE, TOM		R	39.00	312	36.84	740
TAILS		R	25.00	156	26.43	196
MECHANICALLY SEPARATED 2/		R	18.00	80	18.00	80
THIGH MEAT - FROZEN	67.00		67.00	312	70.09	1,568

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
THURSDAY, JUNE 01, 2006	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	36.00-42.00		40.21	380
WINGS FULL-CUT - TOMS	27.00		27.00	40
WINGS, V-TYPE, TOM	39.00		39.00	312
TAILS	22.00-31.00		25.00	156
MECHANICALLY SEPARATED 2/	18.00		18.00	80
THIGH MEAT - FROZEN	68.00-75.00		72.19	444

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
WEDNESDAY, MAY 31, 2006	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		T	39.00	108
WINGS FULL-CUT - TOMS		F	27.00	40
WINGS, V-TYPE, TOM	34.00		34.00	104
TAILS	32.00		32.00	40
MECHANICALLY SEPARATED 2/		F	18.00	80
THIGH MEAT - FROZEN	68.00-70.00		69.67	624

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
TUESDAY, MAY 30, 2006	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	39.00		39.00	108
WINGS FULL-CUT - TOMS		F	27.00	40
WINGS, V-TYPE, TOM	34.00-39.00		35.67	324
TAILS		W	34.00	27
MECHANICALLY SEPARATED 2/		F	18.00	80
THIGH MEAT - FROZEN	68.00-74.00		71.66	188

**NO EXPORT TRADING REPORTED DUE TO MEMORIAL DAY HOLIDAY
MONDAY, MAY 29, 2006**

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY
2/ Product contains 15-20% fat with skin added.